

**SEMINOLE COUNTY GOVERNMENT
AGENDA MEMORANDUM**

SUBJECT: Resolution approving the issuance of industrial revenue bonds by the Seminole County Industrial Development Authority

DEPARTMENT: Economic Development **DIVISION:** Economic Development

AUTHORIZED BY: Don Fisher **CONTACT:** William J. McDermott **EXT.** 7132

Agenda Date 08/09/05 **Regular** ☐ **Consent** ☒ **Work Session** ☐ **Briefing** ☐
Public Hearing – 1:30 ☐ **Public Hearing – 7:00** ☐

MOTION/RECOMMENDATION:

Adopt the attached Resolution approving the issuance of industrial development revenue bonds.

BACKGROUND:

On July 19, 2005, a Public Hearing was held by Seminole County Industrial Development Authority to consider the adoption of a resolution providing for issuance by the Orange County Industrial Development Authority of not exceeding, in the aggregate, \$16,000,000 principal amount of revenue bonds for the Christian Prison Ministry Inc. Project. The resolution was unanimously adopted. The bonds will be issued for the purpose of financing the acquisition, construction and/or renovation of certain correctional, detention, rehabilitation and social service center facilities and/or refinancing certain indebtedness incurred by Christian Prison Ministry, Inc. Facilities. The Seminole County facility, the Sanford Bridge, is located on Holly Ave. in Sanford.

Attachments:

Resolution No. 05-
Exhibit A (public hearing notice)
Exhibit B (meeting minutes July 19, 2005)

Reviewed by:
Co Atty: AM
DFS: _____
Other: _____
DCM: AS
CM: MB

File No. CE001

RESOLUTION NO. 25-

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF SEMINOLE COUNTY, FLORIDA (THE "BOARD") APPROVING THE ISSUANCE BY THE ORANGE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY OF ITS VARIABLE RATE DEMAND REVENUE BONDS (CHRISTIAN PRISON MINISTRY, INC. PROJECT) IN ONE OR MORE SERIES IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$16,000,000 FOR PURPOSES OF SECTION 147(F) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED.

WHEREAS, the Orange County Industrial Development Authority (the "Orange IDA") has received an application from Christian Prison Ministry, Inc., a Florida not-for-profit corporation (the "Corporation"), requesting that the Orange IDA issue variable rate demand revenue bonds in the initial aggregate principal amount of not to exceed \$16,000,000 in one or more series (the "Bonds") and loan the proceeds from the sale thereof to the Corporation for the purpose of (i) acquiring, constructing and/or renovating certain correctional, detention, rehabilitation and social service center facilities (the "Facilities"), including facilities located in Seminole County (the "Seminole Facilities"), all owned by the Corporation and operated by Bridges of America, Inc., a Florida not-for-profit corporation; and (ii) refinancing certain indebtedness (the "Prior Indebtedness") incurred by the Corporation in connection with the acquisition, construction and renovation of certain of the Facilities ((i) and (ii) are collectively referred to herein as the "Project"); and

WHEREAS, the Facilities are located in (a) Orange County, (b) Broward County, (c) Duval County, (d) Pinellas County, (e) Polk County, and (f) Seminole County; and

WHEREAS, after publication in The Orlando Sentinel of the Notice of Public Hearing, a copy of which is attached hereto as Exhibit "A" and incorporated herein by reference (the "Notice of Public Hearing"), on July 19, 2005, the Seminole County Industrial Development Authority (the "Seminole IDA") held the public hearing (the "Public Hearing") required by the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code") relating to the Seminole Facilities and the Bonds proposed to be issued by the Orange IDA; and

WHEREAS, the Board has been requested by the Seminole IDA to consider and approve the Orange IDA's issuance of the Bonds under the provisions of Section 125.01(1)(z) of the Florida Statutes, as amended; and

WHEREAS, the Board is the elected legislative body of Seminole County (the "County"), and the County has jurisdiction over the Seminole Facilities for purposes of Section 147(f) of the Internal Revenue Code; and

WHEREAS, the Board has been furnished with a copy of the Notice of Public Hearing for the Public Hearing and has been advised that the Notice of Public Hearing apprised residents

of the County of the proposed issuance of the Bonds not less than 14 days before the Public Hearing and the Public Hearing was conducted in a manner which provided a reasonable opportunity for persons with differing views on both the issuance of the Bonds and the location and nature of the Project to be heard; and

WHEREAS, the Board has been requested to consider and approve the Orange IDA's issuance of the Bonds under the provisions of Section 147(f) of the Internal Revenue Code as it relates to the Seminole Facilities;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF SEMINOLE COUNTY, FLORIDA AS FOLLOWS:

SECTION 1. Issuance by the Orange IDA of its Orange County Industrial Development Authority Variable Rate Demand Revenue Bonds (Christian Prison Ministry, Inc. Project) in an aggregate principal amount of not to exceed \$16,000,000 in one or more series and the loan of the proceeds thereof to the Corporation as contemplated by the Notice of Public Hearing shall be and hereby is approved.

SECTION 2. This approval is solely for the purpose of Section 147(f) of the Internal Revenue Code and Section 125.01(1)(z) of the Florida Statutes. The use of the proceeds of the Bonds to finance the costs of the Project within the County is hereby approved.

SECTION 3. The approval given herein shall not be construed as (i) an endorsement of the creditworthiness of the Corporation or the financial viability of the Project, (ii) a recommendation to any prospective purchaser to purchase the Bonds, (iii) an evaluation of the likelihood of the repayment of the debt service on the Bonds, or (iv) approval of any necessary rezoning applications or approval or acquiescence to the alteration of existing zoning or land use nor approval for any other regulatory permits relating to the Seminole Facilities, and the Board shall not be construed by reason of its adoption of this Resolution to make any such endorsement, finding, or recommendation or to have waived any right of the Board or to have estopped the Board from asserting any rights or responsibilities it may have in such regard. Further, the approval by the Board of the issuance of the Bonds by the Orange IDA shall not be construed to obligate the County to incur any liability, pecuniary or otherwise, in connection with either the issuance of the Bonds, the financing of the acquisition, construction and/or renovation of the Facilities, including the Seminole Facilities, or the refinancing of the Prior Indebtedness, and the Orange IDA shall so provide in the financing documents setting forth the details of the Bonds.

SECTION 4. Nothing contained in this approval shall be deemed to create any obligation or obligations of the County or the Board.

SECTION 5. This Resolution shall take effect immediately upon its adoption.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

SECTION 6. All actions taken with respect to the Notice of Public Hearing, authorization, and conduct of the TEFRA Hearing are hereby ratified and confirmed.

DULY ADOPTED this _____ day of _____, 2005.

**BOARD OF COUNTY COMMISSIONERS
OF SEMINOLE COUNTY, FLORIDA**

(SEAL)

Chairman

ATTEST:

Clerk of the Court, Ex-Officio Clerk to
the Board of County Commissioners

orl-fs1\WATKINSM\406747v04\7/15/05\5:19:00PM\85795.010100

EXHIBIT A
NOTICE OF PUBLIC HEARING

Orlando Sentinel

Published Daily

State of Florida } S.S.
COUNTY OF ORANGE

Before the undersigned authority personally appeared BEVERLY C. SIMMONS, who on oath says that he/she is the Legal Advertising Representative of Orlando Sentinel, a daily newspaper published at 1111 North Orange Avenue in Orlando County, Florida; that the attached copy of advertisement, being a NOTICE OF PUBLIC HEARING in the matter of JULY 19 in the Orlando Sentinel Court, was published in said newspaper in the issue of 07/09/05

Affiant further says that the said Orlando Sentinel is a newspaper published at 1111 North Orange Avenue in said Orlando County, Florida, and that the said newspaper has heretofore been continuously published in said Orlando County, Florida, each Week Day and has been entered as second-class mail matter at the post office in Orlando in said Orlando County, Florida, for a period of one year next preceding the first publication of the attached copy of advertisement; and affiant further says that he/she has neither paid nor promised any person, firm or corporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in the said newspaper.

The foregoing instrument was acknowledged before me this 7 day of JULY, 20 05, by BEVERLY C. SIMMONS, who is personally known to me and who did take an oath.

(SEAL)

The Seminole County Industrial Development Authority ("SCIDA") will hold a public hearing on Tuesday, July 19, 2005 at 8:30 a.m., or as soon thereafter as practicable of the Metro Orlando Economic Development Commission's Office, 1220 North Douglas Avenue, Suite 116, Longwood, Florida 32779, to consider the adoption of a resolution providing for issuance by the Orange County Industrial Development Authority (the "Authority") of not exceeding, in the aggregate, \$16,000,000 principal amount of Variable Rate Demand Revenue Bonds (Christian Prison Ministry, Inc. Project) in one or more series (the "Bonds"). The Bonds will be issued for the principal purpose of financing the acquisition, construction and/or renovation of certain correctional, detention, rehabilitation and social service center facilities (the "Facilities") and/or refinancing certain indebtedness incurred by Christian Prison Ministry, Inc., a Florida not-for-profit corporation, relating to the Facilities (the "Borrower"). The Facilities are owned by the Borrower and operated by affiliates of Bridges of America, Inc., a Florida not-for-profit corporation. The Facilities are located in Orange, Broward, Duval, Pinellas, Polk and Seminole Counties, Florida as follows:

Orange County
The Orlando Bridge, consisting of 4 acres of property and approximately 57,000 aggregate square feet of building facilities located at: 2001, 2011, 2012, 2017, 2025, 2029, 2033, 2037, 2041, 2045, 2100, 2102, 2104 and 2106 Mercy Drive, 1911 Brengle Avenue and 3630 and 3925 W. New Hampshire, Orlando, Florida 32808.

Broward County
The Turning Point Bridge, consisting of approximately 28,000 aggregate square feet of building facilities located at: 215, 302, 328 and 400 S.W. 2nd Street; 339 S.W. 2nd Court; and 338 and 342 Avondale Drive East, Pompano Beach, Florida 33060.

Duval County
The proposed Jacksonville Bridge, consisting of approximately 2,152 square feet of building facilities to be located at 5110, 12th Street, West Jacksonville, Florida 32204.

Pinellas County
The St. Petersburg Bridge, consisting of a 3-story, approximately 64,000 square foot building located at 735 Martin Luther King Boulevard, St. Petersburg, Florida 33704. Bonds to be proceeds are expected to be used to provide renovations to the existing facility and to pay off existing debt.

Polk County
The Polk Bridge, consisting of approximately 26,000 of aggregate square feet of building facilities located at: 602 Walnut Street; 601 Lime Street; 206 Pilakakaha Avenue; and 511 and 515 Pine Street, Auburndale, Florida 33823. The proposed Lakeland Bridge, consisting of approximately 20,000 square feet of building facilities to be located at 110 West Valencia Avenue, Lakeland, Florida 33805.

Seminole County
The Sanford Bridge, consisting of 1.5 acres of property and approximately 22,000 aggregate square feet of building facilities located at: 113 and 508 Holly Avenue; 401 S. Holly Avenue; and 803 4th Street West, Sanford, Florida 32771.

The Bonds shall be payable solely from the revenues derived by the Authority from a loan agreement and other financing documents to be entered into by and between the Authority and the Borrower prior to or contemporaneously with the issuance of the Bonds. Such Bonds and the interest thereon shall not constitute an indebtedness or pledge of the general credit or taxing power of Orange, Broward, Duval, Pinellas, Polk or Seminole Counties, the State of Florida or any other political subdivision, municipality or agency thereof. The aforementioned hearing shall be a public hearing and all persons who may be interested will be given an opportunity to be heard concerning the issuance of the Bonds and the location and nature of the Facilities. Written comments may also be submitted to the Seminole County Industrial Development Authority prior to the hearing at 1230 North Douglas Avenue, Suite 116, Longwood, Florida 32779, Attention: _____.

EXHIBIT B

SEMINOLE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY MEETING
MINUTES JULY 19, 2005

SEMINOLE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY

Regular Meeting July 19, 2005

A regular meeting of the Seminole County Industrial Development Authority (the "Authority") was held in the conference room at the Metro Orlando Economic Development Commission's office, 1230 North Douglas Avenue, Suite 116, Longwood, Florida, commencing at 8:35 o'clock AM on July 19, 2005, notice of this regular meeting having been given in accordance with the requirements of Florida law.

Board members present at the meeting were:

Lee Holt, Vice Chairman
Andrew Van Gaale
Gary Scarboro
Stanley Weinroth

Chairman Mack McReynolds and Board member Doug Forner were absent. The members in attendance constituted a quorum of the members of the Authority.

Also present at the meeting were Bob Dallari, District 1 Commissioner for the Seminole County Commission and liaison to the Authority, Tracy Turk, Secretary of the Authority, William J. McDermott, Director of the Economic Development Office for Seminole County, Patricia Madouse, Vice President of Operations for Bridges of America, whose affiliate is the operator of the facilities owned by Christian Prison Ministry, Inc. (the "Applicant") in Seminole County, Florida, Michael Watkins, Esq. of the law firm of Greenberg Traurig, Bond Counsel to the Applicant, Whitney Evers, Esq. of the law firm of Shuffield, Lowman & Wilson, legal counsel to the Applicant, and J. Gordon Arkin, Esq. of the law firm of Foley & Lardner LLP, legal counsel to the Authority.

Mr. Holt acted as Chairman and Tracy Turk acted as Secretary of the meeting.

The Chairman asked for a motion to approve the minutes of the Authority's regular meeting held on April 19, 2005. Minutes of that meeting were previously distributed to the members of the Authority. Upon motion duly made and seconded, the minutes of that meeting were unanimously approved as written.

The next order of business was consideration of the request of the Applicant for the adoption of a resolution authorizing an Interlocal Agreement with the Orange County Industrial Development Authority (the "Orange Authority"), under which the Orange Authority would be authorized to issue a portion of not to exceed \$16,000,000 of Variable Rate Demand Revenue Bonds (Christian Ministry, Inc. Project) to refinance indebtedness previously issued by the Board of County Commissioners of Seminole County, Florida (the "Prior Indebtedness") related to certain correctional, detention, rehabilitation and social service facilities owned by the Applicant in Seminole County, Florida, and operated by an affiliate of Bridges of America, Inc. Mr. Watkins, Bond Counsel for the Applicant, advised that the not to exceed \$16,000,000 in proposed Bonds to be issued by the Orange Authority would be expended in six different counties, and that the funds would be used to finance the construction of new facilities in some of those counties and to refinance debt of the Applicant in some of those counties, and that the proceeds of the Bonds to be used in Seminole County would be used to refinance the Prior Indebtedness. He further advised that the proposed Bonds would bear a variable interest rate

and be secured by a letter of credit to be issued by a financial institution, probably Bank of America, N.A. Ms. Madouse explained that the Prior Indebtedness had been incurred to help finance the Sanford Bridge, which was an 86 bed facility used to treat people who were ordered by a Court to be housed in that facility for treatment for drug and alcohol related problems. She said that the Seminole Bridge, which was operated on a non-denominational basis, created the opportunity to change peoples lives, and that it had a success rate of over 50%, meaning that over half the people enrolled in the program graduated and committed no crime for at least 6 months after graduation.

Mr. Arkin advised that he had reviewed the proposed form of resolution and that it was in order.

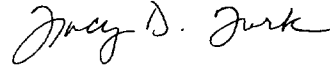
Ms. Evers, legal counsel to the Applicant, was asked how much Prior Indebtedness was being refinanced in Seminole County. She advised that this information would be provided after the meeting. She subsequently advised that approximately \$1,000,000 in Prior Indebtedness would be refinanced with the proceeds of the proposed Bonds. There being no other questions from the members of the Authority, the Chairman asked if any member of the Authority wanted to make a motion not to give the Applicant's request further consideration. No motion having been made, the Chairman announced that this was the time set for a public hearing for the purpose of considering the adoption of a resolution providing for the issuance by the Orange Authority of not to exceed \$16,000,000 of Variable Rate Demand Bonds (Christian Prison Ministry Project) in one or more series, for the principal purpose of financing the acquisition, construction and/or renovation of certain correctional, detention, rehabilitation and social service center facilities and/or refinancing certain indebtedness incurred by the Applicant, a Florida not-for-profit corporation, relating to facilities owned by the Applicant and operated by affiliates of Bridges of America, Inc. located in Orange, Broward, Duval, Pinellas, Polk and Seminole Counties, Florida, with the facilities in Seminole County consisting of 1.5 acres of property and approximately 22,000 total square feet of building and facilities located at 113 and 500 Holly Avenue, 401 S. Holly Avenue and 803 4th Street West, Sanford, Florida 32771. No one appeared for or in opposition to the issuance of the proposed bonds, and the Chairman closed the public hearing. Upon motion duly made by Mr. Scarboro and seconded by Mr. Van Gaale, the following resolution was unanimously adopted:

RESOLUTION NO. 2005-05A

A RESOLUTION OF THE SEMINOLE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY (THE "AUTHORITY") AUTHORIZING THE EXECUTION AND DELIVERY OF AN INTERLOCAL AGREEMENT BETWEEN THE AUTHORITY AND THE ORANGE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY (THE "ISSUER") PERMITTING THE EXPENDITURE OF A PORTION OF THE PROCEEDS OF THE ISSUER'S NOT TO EXCEED \$16,000,000 ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF VARIABLE RATE DEMAND REVENUE BONDS (CHRISTIAN PRISON MINISTRY, INC. PROJECT) FOR THE PRINCIPAL PURPOSE OF FINANCING THE ACQUISITION, CONSTRUCTION AND/OR RENOVATION OF CERTAIN CORRECTIONAL, DETENTION, REHABILITATION AND SOCIAL SERVICE CENTER FACILITIES AND REFINANCING CERTAIN INDEBTEDNESS INCURRED BY CHRISTIAN PRISON MINISTRY, INC.; PROVIDING FOR

CERTAIN OTHER MATTERS IN CONNECTION WITH THE
EXECUTION AND DELIVERY OF THE INTERLOCAL
AGREEMENT, AND PROVIDING AN EFFECTIVE DATE FOR
THIS RESOLUTION.

There being no further business, the meeting was adjourned at 8:45 o'clock A.M.

A handwritten signature in cursive script, reading "Tracy D. Turk".

Tracy Turk, Secretary
Seminole County Industrial Development Authority